

NATIONAL RECOVERY ADMINISTRATION

CODE OF FAIR COMPETITION

FOR THE

PUNCH BOARD

MANUFACTURING INDUSTRY

AS APPROVED ON MARCH 2, 1934



WE DO OUR PART



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Approved Code No. 316

CODE OF FAIR COMPETITION

FOR THE

PUNCH BOARD MANUFACTURING INDUSTRY

As Approved on March 2, 1934

ORDER

**CODE OF FAIR COMPETITION FOR THE PUNCH BOARD
MANUFACTURING INDUSTRY**

An application having been duly made pursuant to and in full compliance with the provisions of Title I of the National Industrial Recovery Act, approved June 16, 1933, for approval of a Code of Fair Competition for the Punch Board Manufacturing Industry, and hearings having been duly held thereon and the annexed report on said Code, containing findings with respect thereto, having been made and directed to the President:

NOW, THEREFORE, on behalf of the President of the United States, I, Hugh S. Johnson, Administrator for Industrial Recovery, pursuant to authority vested in me by Executive Orders of the President, including Executive Order No. 6543-A, dated December 30, 1933, and otherwise; do hereby incorporate by reference said annexed report and do find that said Code complies in all respects with the pertinent provisions and will promote the policy and purposes of said Title of said Act; and do hereby order that said Code of Fair Competition be and it is hereby approved.

HUGH S. JOHNSON,
Administrator for Industrial Recovery.

Approval Recommended:

GEO. L. BERRY,
Division Administrator.

WASHINGTON, D.C.
March 2, 1934.

REPORT TO THE PRESIDENT

The PRESIDENT,
The White House.

SIR: The public hearing on the Code of Fair Competition for the Punch Board Manufacturing Industry of the United States, submitted by the National Association of Punch Board Manufacturers, located at 1417 West Jackson Boulevard, Chicago, Illinois, was conducted in Washington, D.C., on the 19th of December, 1933, in accordance with the provisions of the National Industrial Recovery Act. The Association claims to represent 93 percent of the Industry.

The maximum hours established under this Code are forty (40) per week, with the exception of one period in each calendar year, not to exceed fifteen (15) weeks, in which employees may work forty-four hours per week, provided that they are paid at least time and one-third for all hours worked in excess of forty (40) per week. Exceptions are allowed for executives, supervisors, and managers who receive not less than thirty-five dollars (\$35.00) per week, and outside salesmen.

In 1929 this industry operated approximately forty-eight (48) hours per week and the same hours prevailed in 1931. During 1929 approximately 2500 wage earners were employed and in 1931 approximately 1800 wage earners were employed. In order to bring employment back to the 1929 level it would be necessary to adopt a 19.2 hour week, which, in view of evidence submitted at the public hearing, would not be practical in this industry. It is felt that a 40-hour week would be the most equitable arrangement for all parties as approximately 200 wage earners will benefit through reemployment.

The minimum wages established in this Code are forty cents (40¢) per hour for males and office workers and thirty-two and one-half cents (32½¢) per hour for females. Protection of employees on piece work performance is guaranteed.

Exceptions to the minimum wages are allowed to handicapped persons whose earning capacity is limited, provided such employees receive not less than 80% of the minimum wage and the employer obtains a certificate from the State authority designated by the United States Department of Labor.

Wages in this industry represented 48.51 percent of the value of products in 1929, compared with 16.5 percent for all industry combined. In 1931 wages in this line of activity represented 41.74 percent of the value of products, compared with 17.4 percent for all industries combined.

Wage earners in 1931, on a 48-hour basis, were paid an average of 45.8 cents per hour for males and 20.8 cents per hour for females. No authentic figures are available for 1929 wage rates.

Due to the increase in the wages effected by the Code, which in the case of females is an increase of approximately 50 percent over those

prevailing in 1931, the increase in the price to the purchaser will represent approximately 17 percent.

The Deputy Administrator in his final report to me on said Code having found as herein set forth and on the basis of all the proceedings in this matter;

I find that:

(a) Said Code is well designed to promote the policies and purposes of Title I of the National Industrial Recovery Act, including the removal of obstructions to the free flow of interstate and foreign commerce which tend to diminish the amount thereof and will provide for the general welfare by promoting the organization of industry for the purpose of cooperative action among the trade groups, by inducing and maintaining united action of labor and management under adequate governmental sanctions and supervision, by eliminating unfair competitive practices, by promoting the fullest possible utilization of the present productive capacity of industries, by avoiding undue restrictions of production (except as may be temporarily required) by increasing the consumption of industrial and agricultural products through increasing purchasing power, by reducing and relieving unemployment, by improving standards of labor, and by otherwise rehabilitating industry.

(b) Said Industry normally employs not more than 50,000 employees; and is not classified by me as a major industry.

(c) The Code as approved complies in all respects with the pertinent provisions of said Title of said Act, including without limitation Subsection (a) of Section 3, Subsection (a) of Section 7, and Subsection (b) of Section 10 thereof; and that the applicant association is a trade association truly representative of the aforesaid industry; and that said association imposes no inequitable restrictions on admission to membership therein.

(d) The Code is not designed to and will not permit monopolies or monopolistic practices.

(e) The Code is not designed to and will not eliminate or oppress small enterprises and will not operate to discriminate against them.

(f) Those engaged in other steps of the economic process have not been deprived of the right to be heard prior to approval of said Code.

This Industry has cooperated in a most satisfactory manner with the Administration in the preparation of this Code. From the evidence adduced during this hearing and from recommendations and reports from the various Advisory Boards, it is believed that this Code as now proposed and revised represents an effective, practical, equitable solution for this Industry and for these reasons has been approved.

Respectfully,

HUGH S. JOHNSON,
Administrator.

MARCH 2, 1934.

CODE OF FAIR COMPETITION FOR THE PUNCH BOARD MANUFACTURING INDUSTRY

ARTICLE I—PURPOSES

To effectuate the policies of Title I of the National Industrial Recovery Act, this Code is established as a Code of Fair Competition for the Punch Board Manufacturing Industry, and its provisions shall be the standards of fair competition for such industry and binding upon every member thereof.

ARTICLE II

1. The term "Punch Board Manufacturing Industry" or "Industry" as used herein includes the manufacture and sale by the manufacturer of punch boards, push cards, and pull cards.

2. The term "Member of the Industry" includes but without limitation any individual, partnership, association, corporation, or other form of enterprise engaged in the Industry, either as an employer or on his or its own behalf.

3. The term "employee" as used herein includes any and all persons engaged in the Industry however compensated, except a member of the Industry.

4. The term "employer" as used herein means any employer engaged in the Industry.

5. The terms "Act" and "Administrator" as used herein shall mean, respectively, Title I of the National Industrial Recovery Act and the Administrator for Industrial Recovery.

ARTICLE III—HOURS

1. No employee shall be permitted to work in excess of forty (40) hours in any one week or eight (8) hours in any one day, except as hereinafter provided. In case of seasonal peaks employees may be permitted to work forty-four (44) hours per week for one period not to exceed fifteen (15) consecutive weeks in any calendar year; provided, however, that at least time and one-third shall be paid for all hours worked in excess of eight (8) in any one day and forty (40) in any one week.

2. The provisions of this Article shall not apply to employees engaged in an executive, administrative and/or supervisory capacity who receive thirty-five dollars (\$35.00) or more per week, nor to outside salesmen.

3. No employee shall be permitted to work for a total number of hours in excess of the number of hours herein prescribed whether he be employed by one or more employers.

4. Employment on Sundays and/or legal holidays within the State where an employee is engaged shall be compensated by overtime

payment at the rate of not less than one and one-half times the normal rate of pay.

ARTICLE IV—WAGES

1. (a) No male employee shall be paid less than at the rate of forty cents (40¢) per hour, except as herein otherwise provided.

(b) No female employee shall be paid less than at the rate of thirty-two and one-half cents (32½¢) per hour except as herein otherwise provided.

2. No office or clerical employee shall be paid less than at the rate of forty cents (40¢) per hour or sixteen dollars (\$16.00) per week.

3. This article establishes a minimum rate of pay which shall apply, irrespective of whether an employee is actually compensated on a time rate, piecework performance or other basis.

4. It is the policy of the members of this Industry to refrain from reducing the compensation for employment which compensation was, prior to June 16, 1933, in excess of the minimum wage herein set forth, notwithstanding that the hours of work in such employment may be reduced: and unless since such date such adjustments have been made, all members of this Industry shall endeavor to increase the pay of all employees in excess of the minimum wage, as herein set forth, by an equitable adjustment of all pay schedules.

5. Female employees performing substantially the same work as male employees shall receive the same rate of pay as male employees. The Code Authority shall, within ninety (90) days after the effective date of this Code, file with the Administrator a description of all occupations in the Industry in which both men and women are employed.

6. A person whose earning capacity is limited because of age or physical or mental handicap may be employed on light work at a wage not less than eighty (80) percent of the minimum established by this Code if the employer obtains from the State authority or other agency designated by the United States Department of Labor a certificate authorizing his employment at such wages and for such hours as shall be stated in the certificate. Each employer shall file with the Code Authority a list of all such persons employed by him, which number shall not exceed five per cent (5%) of the total number of such member's employees.

ARTICLE V—GENERAL LABOR PROVISIONS

1. No person under sixteen (16) years of age shall be employed in the Industry. No person under eighteen (18) years of age shall be employed at operations or occupations which are hazardous in nature or dangerous to health. The Code Authority shall submit to the Administrator within sixty (60) days after the effective date of this Code a list of such operations or occupations. In any State an employer shall be deemed to have complied with this provision as to age if he shall have on file a certificate or permit showing that the employee is of the required age.

2. In compliance with Section 7 (a) of the Act it is provided:

(a) That employees shall have the right to organize and bargain collectively through representatives of their own choosing and shall

be free from the interference, restraint, or coercion of employers of labor or their agents in the designation of such representatives or in self-organization or in other concerted activities for the purpose of collective bargaining or other mutual aid or protection.

(b) That no employee and no one seeking employment shall be required as a condition of employment to join any company union or to refrain from joining, organizing, or assisting a labor organization of his own choosing, and

(c) That employers shall comply with the maximum hours of labor, minimum rates of pay, and other conditions of employment approved or prescribed by the President.

3. No employer shall reclassify employees or duties of occupations performed or engage in any other subterfuge for the purpose of defeating the purposes or provisions of the Act or of this Code.

4. Every employer shall make reasonable provision for the safety and health of his employees at the place and during the hours of their employment.

5. No provision in this Code shall supersede any State or Federal law which imposes on employers more stringent requirements as to age of employees, wages, hours of work, or as to safety, health, sanitary or general working conditions than are imposed by this Code.

6. All employers shall post and keep posted complete copies of Articles III, IV and V of this Code in conspicuous places accessible to employees.

7. The Code Authority shall make a study of conditions in the Industry to determine the feasibility of the adoption of a shorter working week and shall, within three (3) months after the effective date of this Code, make a report of its findings to the Administrator. The Code Authority shall also submit to the Administrator within six (6) months after the effective date of this Code, a plan for the stabilization and regularization of employment.

ARTICLE VI—ADMINISTRATION

1. A Code Authority is hereby established to cooperate with the Administrator in the administration of this Code and shall consist of six (6) persons to be chosen by the Industry through a fair method of selection, approved by the Administrator. The Administrator in his discretion may appoint not more than three (3) additional members without vote and without compensation from the industry, to serve for such period of time and to represent the Administrator or such group or groups as he may designate.

2. Each trade or industrial association directly or indirectly participating in the selection or activities of the Code Authority shall impose no inequitable restrictions on membership, and shall submit to the Administrator true copies of its articles of association, by-laws, regulations, and any amendments when made thereto, together with such other information as to membership, organization, and activities as the Administrator may deem necessary to effectuate the purposes of the Act.

3. In order that the Code Authority shall at all times be truly representative of the industry and in other respects comply with the provisions of the Act, the Administrator may prescribe such hear-

ings as he may deem proper; and thereafter if he shall find that the Code Authority is not truly representative or does not in other respects comply with the provisions of the Act, he may require an appropriate modification in the method of selection of the Code Authority.

4. Any member of the Industry shall be entitled to participate in and share the benefits of the activities of the Code Authority and to participate in the selection of the members thereof by assenting to and complying with the requirements of this Code and sustaining his reasonable share of the expenses of its administration. Such reasonable share of the expenses of administration shall be determined by the Code Authority, subject to review and disapproval by the Administrator, on the basis of volume of business and/or such other factors as may be deemed equitable.

5. Nothing contained in this Code shall constitute the members of the Code Authority partners for any purpose. Nor shall any member of the Code Authority be liable in any manner to anyone for any act of any other member, officer, agent, or employee of the Code Authority. Nor shall any member of the Code Authority, exercising reasonable diligence in the conduct of his duties hereunder, be liable to anyone for any action or omission to act under this Code, except for his own wilful misfeasance or nonfeasance.

6. If the Administrator shall determine that any action of a Code Authority or any agency thereof may be unfair or unjust or contrary to the public interest, the Administrator may require that such action be suspended to afford an opportunity for investigation of the merits of such action and further consideration by such Code Authority or agency pending final action which shall not be effective unless the Administrator approves, or unless he shall fail to disapprove after thirty (30) days notice to him of intention to proceed with such action in its original or modified form.

POWERS AND DUTIES

7. The Code Authority shall have the following further powers and duties:

(a) To administer the provisions of this Code, provide for the compliance of the Industry with the provisions of the Act, and to propose and submit amendments, exemptions, and/or modifications of this Code which, when approved by the Administrator, after such notice and hearing as he may specify, shall become a part hereof.

(b) To adopt by-laws and rules and regulations for its procedure and for the administration and enforcement of the Code.

(c) To obtain from members of the Industry such information and reports as are required for the administration of the Code and to provide for submission by members of such information and reports as the Administrator may deem necessary for the purposes recited in Section 3 (a) of the Act, which information and reports shall be submitted by members to such administrative and/or Government agencies as the Administrator may designate; provided that nothing in this Code shall relieve any member of the industry of any existing obligations to furnish reports to any Government agency. No individual reports shall be disclosed to any other member of the

industry or any other party except to such governmental agencies as may be directed by the Administrator.

(d) To use such trade associations and other agencies as it deems proper for the carrying out of any of its activities provided for herein, provided that nothing herein shall relieve the Code Authority of its duties or responsibilities under this Code and that such trade associations and agencies shall at all times be subject to and comply with the provisions hereof.

(e) To make recommendations to the Administrator for the coordination of the administration of this Code with such other codes, if any, as may be related to the industry.

(f) To secure from members of the industry an equitable and proportionate payment of the reasonable expenses of maintaining the Code Authority and its activities.

(g) To cooperate with the Administrator in regulating the use of any N.R.A. insignia solely by those members of the industry who have assented to, and are complying with, this Code.

(h) To recommend to the Administrator further fair trade practice provisions to govern members of the industry in their relations with each other or with other industries and to recommend to the Administrator measures for industrial planning, including stabilization of employment.

ARTICLE VII—COST ACCOUNTING

1. The Code Authority shall set up a standard cost finding method, which when approved by the Administrator, shall be used by all members of the Industry as a basis for determining individual cost, below which no member of the Industry shall sell any products of this Industry except to meet bona fide competition in any specific instance.

2. The Code Authority may from time to time proceed to collect data and statistics from each member of the Industry to determine whether such member has accurately computed his cost in accordance with the provisions of this Article. All such data and statistics shall be and remain confidential as between the member submitting same, the Code Authority and the Administrator or his duly appointed representatives depending upon the necessities in each case.

3. If the Code Authority shall have reason to believe that any member of the Industry has not properly computed his cost, it may require him to submit statistics to substantiate such cost figures and if it finds that such computation is incorrect it may request the member filing same to revise his figures to comply with the provisions of this Article. In case of disagreement between the Code Authority and any member of the Industry, full and complete data regarding costs shall be submitted to the Administrator for such action as he may deem appropriate.

ARTICLE VIII—FAIR TRADE PRACTICES

1. No member of the Industry shall publish advertising (whether printed, radio, display, or of any other nature), which is misleading or inaccurate in any material particular, nor shall any member in

any way misrepresent any goods (including but without limitation its use, trade mark, grade, quality, quantity, origin, size, substance, character, nature, finish, material content, or preparation) or credit terms, values, policies, services, or the nature or form of the business conducted.

2. No member of the Industry shall withhold from or insert in any quotation or invoice any statement that makes it inaccurate in any material particular.

3. No member of the Industry shall brand or mark or pack any goods in any manner which is intended to or does deceive or mislead purchasers with respect to the brand, grade, quality, quantity, origin, size, substance, character, nature, finish, material content, or preparation of such goods.

4. No member of the Industry shall publish advertising which refers inaccurately in any material particular to any competitors or their goods, prices, values, credit terms, policies, or services.

5. No member of the Industry shall publish or circulate unjustified or unwarranted threats of legal proceedings which tend to or have the effect of harassing competitors or intimidating their customers. Failure to prosecute in due course shall be evidence that any such threat is unwarranted or unjustified.

6. No member of the Industry shall secretly directly or indirectly, offer or make any payment or allowance of a rebate, refund, commission, credit, unearned discount, or excess allowance, whether in the form of money or otherwise, nor shall a member of the industry secretly offer or extend to any customer any special service or privilege not extended to all customers of the same class, for the purpose of influencing a sale.

7. No member of the Industry shall ship goods on consignment.

8. No member of the Industry shall give, permit to be given or directly offer to give, anything of value for the purpose of influencing or rewarding the action of any employee, agent or representative of another in relation to the business of the employer of such employee, the principal of such agent or the represented party, without the knowledge of such employer, principal or party. Commercial bribery provisions shall not be construed to prohibit free and general distribution of articles commonly used for advertising except so far as such articles are actually used for commercial bribery as hereinabove defined.

9. No member of the Industry shall require that the purchase or lease of any goods be a prerequisite to the purchase or lease of any other goods.

10. No member of the Industry shall accept goods for return when the agreement of sale has been fully performed by such member; provided, however, that nothing in this section shall prevent any member of the Industry from accepting returned goods for legitimate credit reasons.

11. No member of the Industry shall sell the products of this Industry on terms more favorable than net thirty days from date of invoice. All products shall be sold F.O.B. factory, except that freight allowances may be allowed when the shipment amounts to fifty dollars (\$50.00) net or more.



12. No member of the Industry shall employ any person who is employed by, or affiliated with, any punch board operator, or any user of punch boards, and/or any one who buys the same for resale, nor shall any member employ any one who is employed by any association, whose members use punch boards.

ARTICLE IX—MODIFICATION

1. This Code and all the provisions thereof are expressly made subject to the right of the President, in accordance with the provisions as of subsection (b) of Section 10 of the Act, from time to time to cancel or modify any order, approval, license, rule, or regulation issued under said Act.

2. This Code, except as to provisions required by the Act, may be modified or amended on the basis of experience or changes in circumstances, such modifications or amendments to be based upon application to the Administrator and such notice and hearing as he shall specify, and to become effective on the approval of the President, unless otherwise provided.

ARTICLE X—MONOPOLIES

No provision of this Code shall be so applied as to permit monopolies or monopolistic practices or to eliminate, oppress, or discriminate against small enterprises.

ARTICLE XI—PRICE INCREASES

Whereas the policy of the Act to increase real purchasing power will be made more difficult of consummation if prices of goods and services increase as rapidly as wages, it is recognized that price increases except such as may be required to meet individual cost should be delayed but when made such increases should, so far as possible, be limited to actual additional increases in the seller's costs.

ARTICLE XII—EFFECTIVE DATE

This Code shall become effective on the seventh day after its approval by the President.

Approved Code No. 316.
Registry No. 1713-26.

